

LAW CLERK BENEFITS

Federal Employees Health Benefits

The Federal Employee Health Benefits Program (FEHBP) offers you a practical way to help meet the cost of health care. FEHBP offers a choice of plans and options, a government contribution toward the cost of your premium, payroll deductions for your share of the premium and coverage without a medical examination or restrictions because of your age or physical condition. There is no waiting period to join the health benefits program. There is an annual open season starting the first week of November. During the open season, employees may enroll into a health plan or change an existing health plan without doctor's certification.

Federal Employees Group Life Insurance

Most civilian employees of the federal government are eligible to participate in the Federal Employee Group Life Insurance (FEGLI) program. FEGLI offers BASIC LIFE and three option plans. The BASIC LIFE insurance coverage is effective on the first day the employee enters pay and duty station unless this coverage is waived before the end of the first pay period.

The employee pays two thirds of the total cost and the government pays one third. Optional coverage for new employees is not effective until the day an affirmative election is received in the employing office. In order to enroll in an optional coverage you must be enrolled in the BASIC LIFE. The employee pays the full cost of the options.

Flexible Spending Account

The Federal Judiciary Flexible Spending Account Plan is a tax-favored program that allows you to use pre-tax money to cover certain health care and dependent care expenses. A Health Care Reimbursement Account allows an employee to set aside dollars from each paycheck to cover eligible health care expenses not covered by any medical, dental, or vision care plan. A Dependent Care Reimbursement Account allows an employee to set aside dollars from each paycheck to cover eligible dependent care expenses incurred so the employee and the employee's spouse, if married, can work or look for work, or the employee's spouse can attend school full-time.

Commuter Benefit Program

Under this program, employee can pay on a pre-tax basis for certain mass transit and parking expenses incurred commuting to and from work. The program has two components, a Mass Transit Reimbursement Account and a Parking Reimbursement Account. The Internal Revenue Code permits employees to set aside from their salary up to \$100 per month for mass transit expenses and up to \$185 per month for parking expenses. Participants receive reimbursement by filing a claim, with either a receipt of expenses or signed certification of expenses on the claim form. Participants who receive their pay check by Direct Deposit will receive reimbursement in the same banking account.

Transit Voucher

Court employees receive a complimentary \$75 transit voucher monthly. Vouchers are distributed to Chambers at the end of each month. The Court purchases transportation vouchers on a year-to-year basis depending on available funds remaining in the budget.

Long-Term Care

In 2002, judges and judiciary employees, and their eligible relatives, will have **two different long term care insurance programs** available to them.

The first program, the Federal Judiciary Long Term Care Insurance Program is insured by CNA and was begun by the judiciary in 1999. This plan offers coverage to eligible judges and employees on a "guaranteed issue basis" during open enrollment periods and through a short form application at any other time. The Administrative Office and CNA will be offering another "guaranteed issue" open enrollment opportunity for the judiciary program later in 2002. The AO and CNA are also working together to make the 2002 application process "electronic" including the launching of a CNA enrollment website.

The second program available to members of the judiciary in 2002 will be the Federal Long Term Care Insurance Program, which is being developed by the Office of Personnel Management (OPM) for all federal civilian and military employees and their eligible relatives.

The OPM has announced an early enrollment opportunity for the program from March 25 to May 15, 2002. However, they have also indicated that those who wish to apply during the early enrollment will have to sign a waiver of their rights to review complete educational material. They stress that most employees should wait for the full-fledged enrollment period which will be held from July 1 to December 31, 2002 since educational materials for the new program will not be in place in time for early enrollment. Coverage under this new OPM product will not be available on a "guaranteed issue" basis at any time. All eligibles interested in this coverage, including employees, will have to apply by completing a medical questionnaire, either a short form or long form application. More detailed information on the OPM Long Term Care Insurance product is available on the OPM website at **www.opm.gov/insure/ltc** or through **www.LTCFEDS.com**. Information can also be obtained by contacting the Federal Long Term Care Insurance program directly by dialing 1-800-LTC-FEDS (1-800-582-3337).

Vacation

If elected into the Leave Act by the Appointing Officer, law clerks can earn up to 13 days paid annual leave per year for the first three years of employment, thereafter, up to 26 days per year.

Holidays

The Court observes a minimum of 10 paid holidays per year.

Miscellaneous

Employees have the opportunity of Credit Union membership, purchase of Government Bonds via automatic payroll deductions and other recurring deductions. Other benefits such as Dental and Long Term Disability are available. It is important to note that these plans are not administered by the federal government. The employee may enter into these benefits as a private consumer.

Additional Benefits Available to Career Law Clerks Only

Federal Employees Retirement System

All new employees entering the federal system will participate in the Federal Employees Retirement System (FERS). Many of the features of the system are “portable,” so that if you leave federal employment, you may still qualify for the benefits. FERS is a three-tiered retirement plan. The three components are: Social Security Benefits, Basic Benefit Plan and Thrift Savings Plan. The employee pays full Social Security taxes and a small contribution to the Basic Benefit Plan foundation for retirement years. FERS is flexible; the employee will be able to choose what is best for their individual situation.

In addition, the employee is able to make tax-deferred contributions to a savings plan (TSP-see below) and a portion will be matched by the government. The three components of FERS work together to give a strong financial background. Transferred employees (hired in the federal system prior to December 1983) may currently be enrolled in the Civil Service Retirement System (CSRS). CSRS employees may continue in this retirement system or may have an option to transfer to FERS.

Thrift Savings Plan

The Thrift Savings Plan is similar to the private sector's 401(k) plan in that it allows all federal employees to participate in this defined contribution retirement savings and investment plan. It also offers savings and tax benefits. Employees may enroll in the Thrift Savings Plan immediately upon joining the U.S. District Court or opt to wait for an Open Enrollment (April - June and October - December annually).

The Government will match employee contributions beginning six months after the employee begins employment with the U.S. District Court. At that time, the Government will contribute 1% to the employee's plan. For every 5% an employee contributes to the plan, the Government matches with 4%.